LaSalle Bank Corporation
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Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Via electronic mail: regs.comments@federalreserve.gov

Re: Docket No. R-1167; Regulation Z, Truth in Lending
Docket No. R-1168; Regulation B, Equal Credit Opportunity
Docket No. R-1169; Regulation E, Electronic Fund Transfers
Docket No. R-1170; Regulation M, Consumer Leasing
Docket No. R-1171; Regulation DD, Truth in Savings

Ladies and Gentlemen:

LaSalle Bank Corporation ("LBC") appreciates the opportunity to comment on the Proposed Rules ("Proposals") issued by the Board of Governors of the Federal Reserve System ("Board") addressing a change to the disclosure requirements for five of its consumer regulations.

LBC is an indirect subsidiary of ABN AMRO Bank N.V. ("Bank"), which is headquartered in Amsterdam, the Netherlands. The Bank has over $500 billion in assets, approximately 111,000 employees and a network of approximately 3,500 offices in over 60 countries. The Bank maintains several branches, agencies, and offices in the United States.

LBC is a financial holding company headquartered in Chicago, Illinois. LBC owns LaSalle Bank National Association, located in Chicago, Illinois, and Standard Federal Bank National Association, located in Troy, Michigan. These banks maintain over 400 offices in Illinois, Michigan, and Indiana. ABN AMRO Financial Services, Inc., is a subsidiary of LaSalle Bank National Association. ABN AMRO Mortgage Group, Inc., is a subsidiary of Standard Federal Bank National Association.

LBC fully supports the notion of providing consumers comprehensible information required by law in connection with obtaining financial products and services. While we appreciate the Board's desire to create consistency by adopting a "clear and conspicuous" disclosure standard, we firmly believe the Proposals would result in great cost to financial institutions and would be of no justifiable benefit to consumers. We therefore strongly urge the Board to withdraw the Proposals, thereby maintaining the existing requirements, each of which has a slightly different variation of the same principle that all disclosures should be clear and conspicuous.

The Proposals adopt the "clear and conspicuous" standard, along with examples, currently contained in Regulation P; however, the Board does not offer any evidence that the current disclosures are not satisfactory. Banks generally appreciate consistency among regulations to make compliance easier; here however, we believe it is not justified or workable. We offer the following comments in support of our position and respectfully request that the Board withdraw the Proposals.

Expensive Regulatory Burden

The Proposals are intended to promote consistency and noticeable and understandable disclosures. The Board however has not offered any examples or explanations of where the current disclosures are confusing or unclear. If these situations exist, the Board should specifically identify and address them.

The new standards would result in significant compliance expense to the industry because every disclosure used today would need to be examined to determine whether they contain too much "legal terminology" and if there is a lack of "everyday words" – a very subjective standard (the Proposal's "reasonably understandable" provision). Banks would have to redraft/reproduce many if not all disclosures required under these regulations. Additionally, production costs would escalate as the length of disclosures would likely increase significantly due to the font size, margin size, and heading and bullet point requirements.

In contrast to the Proposal's regulations, which contain an overabundance of disclosures, the referenced Regulation P merely requires generic disclosures that are not specific to any particular transaction or account making compliance much simpler.

Unclear Requirements Will Invite Lawsuits

The new standards contain provisions with a significant degree of subjective determinations and unclear terms; such as "everyday words," "legal terminology," and "explanations that are imprecise." The Board offers several examples for the Proposal's main provisions - "reasonably understandable" and "designed to call attention to their nature and significance." While the Board states these examples are optional, the subjective nature of this standard makes the potential for litigation high. Banks, examiners and the courts will not likely agree on whether this clear and conspicuous standard is met.

Unlike Regulation P, these other consumer regulations contain a private right of action and the industry would be subject to considerable liability risk if that regulation's "clear conspicuous" definition were extended here. The litigation or settlement costs would be excessive even if the industry were to win the majority of cases.

Revised Disclosures May Be Less Helpful to Consumers

The Proposal's various requirements would result in lengthy disclosures. This would intimidate consumers and make them less inclined to review. Additionally, the Board's recommendation to segregate disclosures would not be helpful to consumers. Often other disclosures/information are logically kept together to assist consumers in understanding terms and products.

Again, LBC appreciates the opportunity to comment and respectfully urges the Board to withdraw the Proposals.

Sincerely,

Steven M. Cecchi